

January 11, 2021

A regular electronic meeting of the City Council was held on Monday, January 11, 2021, at 7:00 p.m. online via <https://zoom.us/join>, with Webinar ID: 817 7680 3642 ~ Password: 607235. Mayor Donker presided. The Pledge of Allegiance to the Flag was recited in unison.

Councilmen present: Steve Arnosky (remote – Midland, MI), Diane Brown Wilhelm (remote – Midland, MI), Maureen Donker (remote – Midland, MI), Pamela Hall (remote – Midland, MI), Marty Wazbinski (remote – Midland, MI)

Councilmen absent: None

### **MINUTES**

Approval of the minutes of the December 21, regular meeting was offered by Councilman Arnosky and seconded by Councilman Brown Wilhelm. (Motion ADOPTED by a Roll Call Voice Vote.)

### **GENERAL FUND BUDGET AMENDMENT – ENGINEERING DEPOSIT PROJECTS**

Assistant City Manager David Keenan presented information on the proposed amendment to the General Fund Budget to recognize additional activity in Engineering Deposit Projects. The public hearing of necessity opened at 7:09 p.m., recognizing no public comments, the hearing closed at 7:10 p.m. The following resolution was then offered by Councilman Wazbinski and seconded by Councilman Arnosky:

WHEREAS, in accord with Sections 5.11, 11.4, and 11.6 of the Charter of the City of Midland, and after having given proper legal notice, and having conducted a public hearing on Monday, January 11, 2021, on the proposal to amend the 2020-21 General Fund budget by increasing revenues and expenditures by \$305,000 for additional Engineering Deposit Project activity; now therefore

RESOLVED, the 2020-21 General Fund budget be amended to increasing revenues and expenditures by \$305,000 for additional Engineering Deposit Project activity. (Motion ADOPTED by a Roll Call Voice Vote.)

### **PARKS AND RECREATION MASTER PLAN 2021-2025**

Director of Public Services Karen Murphy presented information on the 2021-25 Parks and Recreation Master Plan. A public hearing opened at 7:34 p.m. John Muste, 4900 Oakridge Dr. commented on the proposed Master Plan. The hearing closed at 7:46 p.m. The resolution was then offered by Councilman Brown Wilhelm and seconded by Councilman Wazbinski:

WHEREAS, the City of Midland's Parks and Recreation Commission has worked with staff to update the current five-year Parks and Recreation Master Plan which describes the physical features, existing recreation facilities, and the desired actions to be taken to improve and maintain recreation facilities during the period between 2021 and 2025; and

WHEREAS, the City followed all guidelines set forth by the Michigan Department of Natural Resources for development of the plan, including appropriate steps for public input; and

WHEREAS, the Parks and Recreation Commission unanimously recommended that City Council adopt the plan at their meeting of December 1, 2020; and

WHEREAS, City Council held a final public hearing to receive public input on the plan at their January 11, 2021 meeting; now therefore

RESOLVED, that City Council formally adopts the Parks and Recreation Master Plan for 2021-2025 as presented. (Motion ADOPTED by a Roll Call Voice Vote.)

### **INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE – CORTEVA AGRISCIENCE**

City Assessor, Kayla Ripley presented information on a request for an Industrial Facilities Exemption Certificate, from Corteva Agriscience. A public hearing opened at 7:58 p.m. John

Furnier, Dow Chemical; Tony Stamas, Midland Business Alliance commented on the request. The public hearing closed at 8:01 p.m. The following resolution was offered by Councilman Brown Wilhelm and seconded by Councilman Hall:

WHEREAS, The Dow Chemical Company Plant Rehabilitation District No. 1, established by resolution of the Midland City Council on September 25, 1978; and  
WHEREAS, Corteva Agriscience made an application dated December 8, 2020, which was received by the City Clerk on December 15, 2020, for an Industrial Facilities Exemption Certificate relating to approval of a new facility within said District; and  
WHEREAS, the application for the certificate is for the approval of a new facility with the total project cost of \$48,000,000 which is for new real property with the same being located within the Dow Chemical Company Plant Rehabilitation District No. 1 to construct a new facility to include a new building to house fermentation equipment and the refurbishment of an existing administration building, warehouse and process structure at 3400 S Saginaw Rd Unit 95, Midland, Michigan, 48640. The project is expected to retain 40 full time existing jobs in its completion; and  
WHEREAS, the City Council, by written notice, afforded the applicant, the City Assessor, and representatives of each affected taxing unit an opportunity for a hearing on January 11, 2021, as required by Public Act 198 of Public Acts of the State of Michigan of 1974, as amended, and has given due consideration to all information presented; and  
WHEREAS, the application complies with the requirements set forth in Section 9 of said statute, as amended, in that the proposed facility is located within an industrial development district and/or plant rehabilitation district that was duly established within the City of Midland with the City of Midland being eligible under said statute to establish such a district and with the district having been established upon a request before the commencement of the restoration, replacement or construction of the facility described herein; that the commencement of this project did not occur earlier than six months before the filing of the application for the industrial facilities exemption certificate, that the application relates to a construction, restoration or replacement program that when completed constitutes a new or replacement facility within the meaning of said statute and is situated within a previously established industrial development district and/or plant rehabilitation district that was established in the City of Midland, which was itself eligible under the statute to establish the district; that completion of the facility is calculated to, and will at the time of the issuance of the certificate, have the reasonable likelihood to create employment, retain employment, prevent a loss of employment, or produce energy in the community; and  
WHEREAS, the aggregate SET of real and personal property exempt from ad valorem taxes within the City of Midland, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted; now therefore  
RESOLVED, that the City Council of the City of Midland finds and determines that the granting of the industrial facilities exemption certificate requested by Corteva Agriscience considered together with the aggregate amount of industrial facilities exemption certificates previously granted and currently in force under PA 198 of 1974, as amended and PA 225 of 1978, as amended shall not have the effect of substantially impeding the operation of the City of Midland or impairing the financial soundness of any other taxing unit which levies an ad valorem property tax in the City of Midland; and  
RESOLVED FURTHER, that said application for an Industrial Facilities Exemption certificate from Corteva Agriscience for a new facility approval within the Dow Chemical Company Plant Rehabilitation District No. 1, be and the same is hereby approved for a period of 12 years with an ending date of December 31, 2033; and  
RESOLVED FURTHER, that the Mayor and City Clerk are authorized to execute the Public Act 198 Agreement submitted between the City and Corteva Agriscience pursuant to P.A. 334 of Public Acts of the State of Michigan of 1993. (Motion ADOPTED by a Roll Call Voice Vote.)

## CENTER CITY LOFTS

Director of Planning & Community Development, Grant Murschel presented regarding proposed PUD No. 17, the proposed three story, 55 unit multiple family residential development and related PILOT Ordinance. A public hearing opened at 8:23 p.m. Anna Collins, Shelterhouse commented on the proposed proposals. The public hearing closed at 8:35 p.m.

## PUD NO. 17

The following resolution was offered by Councilman Arnosky and seconded by Councilman Brown Wilhelm:

WHEREAS, Spire Development has submitted a request for a Planned Unit Development for a three story, 55-unit multiple family residential development to be known as Center City Lofts located at 2710 & 2712 Jefferson Avenue; and

WHEREAS, the City Planning Commission has conducted a public hearing in accord with Section 28.02(A) of the Zoning Ordinance of the City of Midland on said conditional use; and

WHEREAS, the Planning Commission has submitted its recommendation to approve the request, in accord with Section 24.06 of the Zoning Ordinance of the City of Midland; and

WHEREAS, a public hearing was held by the City Council on January 11, 2021 at 7:00 p.m. virtually due to social distancing guidelines as a result of the coronavirus pandemic; now therefore

RESOLVED, that the City Council finds the request for the planned unit development to be in accord with Section 24.06 of the Zoning Ordinance, and hereby approves Planned Unit Development No. 17, in accord with documents provided and submitted at the meeting of January 11, 2021 contingent to the following:

1. A final stormwater management plan and permit amendment to the satisfaction of the City Engineering Department.
2. A final soil erosion and sedimentation control permit to the satisfaction of the City Building Department.
3. A revised landscaping plan to the satisfaction of the City Planning Department.
4. A PUD Agreement to the satisfaction of the City Attorney and City Planning Department. (Motion ADOPTED by a Roll Call Voice Vote.)

## PILOT ORDINANCE FOR CENTER CITY LOFTS

The following ordinance was offered by Councilman Wazbinski and seconded by Councilman Hall:

### ORDINANCE NO. 1843

An ordinance to amend the Code of Ordinances of the City of Midland, Michigan, by adding section 2-260.21 and 2-264.19 and by amending Section 2-262, Article XIII Of chapter 2 thereof. The City of Midland Ordains:

Section 1. Sections 2-260.21, 2-262, and 2-264.19 of Article XIII of Chapter 2 are hereby amended to read as follows:

#### **Sec. 2-260.21. CENTER CITY LOFTS.**

The City acknowledges that Center city lofts, center city lofts limited dividend housing association limited partnership has offered, subject to receipt of financing from the authority, to erect or operate and maintain a housing development identified as center city lofts located on the following described property:

2710 & 2712 Jefferson Avenue, Midland, Michigan 48640;

and further described as:

2710 Jefferson Avenue:

BEGINNING 165 FEET SOUTH OF NORTHWEST CORNER OF SOUTHWEST 1/4 OF NORTHWEST 1/4 SECTION 15, THENCE EAST 300 FEET, SOUTH 60 FEET, EAST 228.35 FEET, SOUTH 46.48 FEET, SOUTH 38 DEGREES 31 MINUTES 24 SECONDS

EAST 74.93 FEET, THENCE WEST 575.29 FEET, NORTH 165 FEET TO POINT OF BEGINNING. CONTAINING 1.719 ACRES.

AND

2712 JEFFERSON AVENUE:

BEGINNING 165 FEET SOUTH & 300 FEET EAST OF NORTHWEST CORNER OF SOUTHWEST 1/4 OF SECTION 15, THENCE EAST 228.0 FEET, SOUTH 60 FEET, WEST 228.35 FEET, NORTH 60 FEET TO POINT OF BEGINNING. CONTAINING 0.314 ACRES.

In the city to serve low income persons, and that center city lofts Limited Dividend Housing Association Limited Partnership has offered to pay the city on account of said housing development an annual service charge for public services in lieu of all taxes.

**Sec. 2-262. Class of housing developments.**

It is hereby determined that the class of housing developments to which the tax exemption shall apply, and for which a service charge shall be paid in lieu of such taxes, shall be that portion of a development which is for elderly persons or low-income persons and which is financed or assisted pursuant to the act. It is further determined that Grove Street Commons I, Grove Street Commons II, The Village At Joseph's Run, Granite Club Acres #1, Chippewassee Court Phase I, Chippewassee Court Phase II, Adams Acres Phase I, 606/608 Hemlock Street, 5004 Tucker Street, 1111 Franklin Street, 4301 Hancock Drive, 310 E. Pine Street, 1414 Lincoln Street, 1417 Mill Street, 2520 Charles Street and 528 Cottonwood Street, Bracken Woods II Apartments, Center City Lofts, and the elderly portions of Charter Square and Green Hill are of this class.

**SEC. 2-264.19. ESTABLISHMENT OF ANNUAL SERVICE CHARGE FOR CENTER CITY LOFTS.**

- (A) *Annual service charge.* The housing development identified as center city lofts and the property on which it is constructed shall be exempt from all property taxes from and after the enactment of the ordinance for which this section derives and for the year subsequent to timely notification of exemption by the Michigan State Housing Development Authority. The city, acknowledging that the sponsor and the authority have established the economic feasibility of the housing development in reliance upon the enactment and continuing effect of the ordinance from which this section derives and the qualification of the housing development for exemption from all property taxes and a payment in lieu of taxes as established in the ordinance from which this section derives, and in consideration of the sponsor's offer, subject to receipt of an allocation of low-income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended, to erect, operate, and maintain the housing development, agrees to accept payment of an annual service charge for public services in lieu of all property taxes. The annual service charge shall be equal to nine percent (9%) of the annual shelter rents less utilities. This pilot exemption shall last for 20 years or until the associated mortgage is paid off, whichever occurs sooner.
- (b) *Limitation on the payment of annual service charge.* Notwithstanding subsection (a), the service charge to be paid each year in lieu of taxes for the part of the housing development which is tax exempt and which is occupied by other than low-income persons shall be equal to the full amount of taxes which would be paid on that portion of the housing development if the housing development were not exempt. However, it is agreed that all 55 units of the new facility will serve low-income persons.

Section 2. This Ordinance shall take effect upon publication. (Ordinance ADOPTED by a Roll Call Voice Vote.)

**PUBLIC COMMENT**

No public comments were made.

## **BUTTLES STREET ROAD DESIGN**

City Manager Brad Kaye provided an introduction to the topic and provided a brief overview of the compiled Buttles Street Road Diet Information Packet. Terri Trotter, 2305 Lockwood Drive, Jan Lanter, 5811 Stillwater Lane, Stacy Daniels, 3901 Orchard Drive, Megan Yezak, 5006 Foxpoint Circle, Bob Plishka, 1010 Holyrood Street, Paul Ries, 4205 Berkshire Court, Ron Parmele, 5415 Walbridge Lane, Eric Anders, 1408 Lee Street, , Emily Schafer, 4025 Sudbury Court, Christian Allemang, 109 West Allen Street, and Rich Siemer, 5617 Grouse Court made comments regarding the road design. The following resolution was offered by Councilman Arnosky and seconded by Councilman Wazbinski:

WHEREAS, the Michigan Department of Transportation has been reviewing the design of Buttles Street since 2015; and

WHEREAS, the City of Midland is an active partner in the review process that will ultimately culminate in the reconstruction of Buttles Street; and

WHEREAS, the extent of reports and public comments received during the review process has been extensive, resulting in a volume of material relative to the matter before City Council; and

WHEREAS City Staff have compiled all official documents of which they are aware into a single document packet; and

WHEREAS, that document packet has been provided to the City of Midland Council and made available on the City website; now therefore

RESOLVED, that City Council hereby receives and files the Buttles Street Road Diet Information Packet compiling all official reports related to the Buttles Street road diet. (Motion ADOPTED by a Roll Call Voice Vote.)

## **CITY COUNCIL BUDGET OBJECTIVES FOR FY 2021-2022**

City Manager Brad Kaye presented the City Council Budget Objectives for FY 2021-22. The following resolution was then offered by Councilman Hall and seconded by Councilman Arnosky:

WHEREAS, on January 9, 2021 the City Council conducted a planning retreat for the purpose of discussing current and future financial concerns; and

WHEREAS, at the conclusion of that session Council expressed their expectations regarding the basic approach to be taken in developing the Fiscal Year 2021-2022 budget; and

WHEREAS, during their regular meeting of January 11<sup>th</sup> the City Council reviewed and affirmed those expectations embodied in a report of January 11, 2021 titled: *City Council Budget Objectives for FY 21-22*; now therefore

RESOLVED, that the report *City Council Budget Objectives for FY 21-22* is hereby received. (Motion ADOPTED by a Roll Call Voice Vote.)

## **MIDLAND COUNTY CENTRAL DISPATCH AUTHORITY ADMINISTRATIVE POLICY BOARD APPOINTMENTS**

The following resolution was then offered by Councilman Arnosky and seconded by Councilman Brown Wilhelm:

RESOLVED, that Josh McMillan is hereby appointed to the Midland County Central Dispatch Authority Administrative Board as one of the City's representatives with a term ending January 31, 2025; and,

RESOLVED FURTHER, that David A. Keenan is hereby re-appointed to the Midland County Central Dispatch Authority Administrative Board as the second City representative to complete a term ending January 31, 2023, and that during the period of February 1, 2019 through January 11, 2021 Mr. Keenan functioned as a board member for the Authority with the approval of City Council. (Motion ADOPTED by a Roll Call Voice Vote.)

### **DIAL-A-RIDE HOLIDAY SERVICE**

Director of Public Services Karen Murphy presented information on the proposed changes to the Dial-A-Ride service schedule. The following resolution was then offered by Councilman Hall and seconded by Councilman Wazbinski:

WHEREAS, Dial-A-Ride (DART) staff host quarterly DART Agency Forum meetings to communicate with local service agencies on DART services and concerns; and

WHEREAS, agency forum members have indicated that limited public transportation around certain holidays creates a hardship for their clients and have requested the City reconsider the holiday closure policy; and

WHEREAS, DART staff evaluated the holidays in question over the next five years and created the following proposal to offer expanded holiday service:

- For floating holidays that fall on a weekend: DART will be closed on the actual holiday and remain open on the City-observed holiday
- For holidays where service agencies are open: DART will remain open for Martin Luther King Day, Good Friday and the day after Thanksgiving for regular service hours and will remain open on Christmas Eve until 6:00 pm; and

WHEREAS, the cost to provide the expanded holiday services will be covered at least 50% by federal and state operating grants, reducing the City's cost to \$12,000 annually for the additional service; now therefore

RESOLVED, that City Council supports implementing the expanded holiday service proposal for DART starting with Good Friday 2021. (Motion ADOPTED by a Roll Call Voice Vote.)

### **ACCEPT GIFT FROM MARY C. CURRIE FOUNDATION**

The following resolution was then offered by Councilman Arnosky and seconded by Councilman Brown Wilhelm:

WHEREAS, on August 27, 2020, the City received a check for \$25,000 from the Mary C. Currie Foundation to help pay for cleanup, restoration, and replacement costs caused by the May 2020 dam failures, and

WHEREAS, on December 28, 2020, the City received a second check for \$10,000 from the Mary C. Currie Foundation for the same purpose; now, therefore

RESOLVED, that the City Council of the City of Midland graciously accepts these generous gifts totaling \$35,000 to help defray the costs of cleanup, restoration, and replacement associated with the May 2020 flood. (Motion ADOPTED by a Roll Call Voice Vote.)

### **GENERAL FUND RESERVE FOR CONTINGENCIES BUDGET TRANSFER**

The following resolution was then offered by Councilman Arnosky and seconded by Councilman Brown Wilhelm:

WHEREAS, on September 28, 2020, City Council approved entering into an agreement with CSRS Disaster Recovery Management, LLC (CSRS), a consulting firm specializing in disaster recovery and working with the Federal Emergency Management Agency (FEMA); and

WHEREAS, while fees paid to CSRS will largely be reimbursed by FEMA, the reimbursement will be delayed and it is necessary to pay for services rendered during the interim; and

WHEREAS, City Council approved a budget amendment that placed \$200,000 in the General Fund Reserve for Contingencies expense account to be used for unidentified costs related to the COVID-19 pandemic or the dam failure disaster; and

WHEREAS, budget transfers from a reserve for contingencies account in excess of \$25,000 require City Council approval; now, therefore

RESOLVED, that the request to transfer \$200,000 from the General Fund Reserve For Contingencies expense account to a General Fund professional services expense account to pay for services rendered by CSRS is hereby approved. (Motion ADOPTED by a Roll Call Voice Vote.)

### **DEFICIT ELIMINATION PLAN FOR HOMELAND SECURITY FUND**

The following resolution was then offered by Councilman Arnosky and seconded by Councilman Brown Wilhelm:

WHEREAS, the Michigan Department of Treasury (Treasury) requires that local units of government that end their fiscal year-end reporting a fund deficit must submit a deficit elimination plan to resolve the deficit situation; and

WHEREAS, the City of Midland reported a year-end fund deficit of \$7,692 in its Homeland Security Grand Fund as of June 30, 2020, requiring the City to submit a deficit elimination plan to Treasury to resolve the \$7,692 deficit; and

WHEREAS, said deficit balance is due to prepaying a service contract that extends into the fiscal year ending June 30, 2021 and the term of said agreement will lapse in June of 2021, thus eliminating the deficit; and

WHEREAS, avoiding prepaying service contracts in future years will eliminate future deficits; now, therefore

RESOLVED, the plan to let the existing prepaid service contract lapse to eliminate the current year deficit, and avoid future prepaid service contracts at year-end to eliminate future deficits within the Homeland Security Grant Fund is hereby approved; and

RESOLVED FURTHER, that staff is directed to submit this deficit elimination plan to the Michigan Department of Treasury in accordance with their requirements. (Motion ADOPTED by a Roll Call Voice Vote.)

### **MDOT CONTRACT NO. 20-5474**

The following resolution was then offered by Councilman Arnosky and seconded by Councilman Brown Wilhelm:

WHEREAS, the City of Midland desires to reconstruct S. Saginaw Rd. from Dartmouth Dr. to Patrick Rd.; and

WHEREAS, the City of Midland is a member of the Midland Area Transportation Study (MATS), through which funding is available from the Michigan Department of Transportation (MDOT) to cost share street reconstruction; and

WHEREAS, Contract No. 20-5474, prepared by MDOT and to be reviewed by the City Attorney, specifies a cost sharing agreement to be used for the project; and

WHEREAS, funding available for construction through MDOT is the lesser of \$344,000 or 81.85 percent; and

WHEREAS, the City of Midland is responsible for the balance of the construction project cost, based on current estimate to be \$424,070; and

WHEREAS, the funding for the City share is available in the Major Street Fund; now therefore

RESOLVED, that City Council authorizes the Mayor and City Clerk to sign and execute the MDOT project cost share agreement, Contract No. 20-5474, once approved by the City Attorney. (Motion ADOPTED by a Roll Call Voice Vote.)

### **SET PUBLIC HEARING FOR STORES REVOLVING FUND BUDGET AMENDMENT**

The following resolution was then offered by Councilman Arnosky and seconded by Councilman Brown Wilhelm:

WHEREAS, the fueling system at the Municipal Service Center is scheduled for replacement in FY2021/22 as the underground storage tanks are nearing the end of their 30-year warranty; and

WHEREAS, funds have been saved from fuel surcharges in the Stores Revolving Fund budget for this purpose and a request to utilize these funds will be included in the Stores Revolving Fund's FY2021/22 Capital Outlay budget; and

WHEREAS, staff believe it prudent to hire an engineering consulting firm to assist with project design, regulatory compliance and project oversight; and

WHEREAS, in order to start the project in July to ensure completion by the fall it is necessary to start the design process with the engineering firm in February and obtain initial permits for the project but funds for this are not included in the current fiscal year budget; and

WHEREAS, the FY2020/21 Stores Revolving Fund's budget needs to be amended by \$30,000 to allow for the hiring of a consultant and obtaining permits for the project with the funds coming from the existing fund balance; now

RESOLVED, that in accord with Section 11.6 of the Charter of the City of Midland, a public hearing shall be conducted at 7:00 p.m., Monday, January 25, 2021, in the Council Chambers of City Hall, or virtually due to social distancing guidelines as a result of the coronavirus pandemic, on the proposal to amend the FY2020-21 Stores Revolving Fund's Capital Outlay budget by increasing expenditures by \$30,000 to hire an engineering consultant to begin design work and obtain initial permits for the fuel system replacement project. (Motion ADOPTED by a Roll Call Voice Vote.)

Being no further business the meeting adjourned at 9:47 p.m.

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Erica Armstrong, City Clerk